

Underpayment Of
Estimated North Dakota Income Tax By Individuals
(Attach to either Form 37-S or Form 37)

1996

► **IMPORTANT:** Read the instructions on the reverse side before attempting to complete this form.

FOR THE 1996 CALENDAR TAX YEAR, or for the tax year beginning _____, 1996, and ending _____, 19__.

Name(s)	Social Security Number
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► **CAUTION:** Do not complete this form unless you were required to pay estimated federal income tax for the 1996 tax year. See "Federal estimated income tax requirement" in General Instructions.**SECTION 1 - Exceptions to regular computation of underpayment.** See the instructions for a description of each of the exceptions listed below. If one of them applies, check the applicable box, complete SECTIONS 2 and 3 as instructed, and attach Form 400-UT to your return.

- A. ☐ Qualified farmer (4th quarter payment required) C. ☐ Federal 4th quarter exception
B. ☐ Federal annualized income installment method D. ☐ Part-year North Dakota requirement

SECTION 2 - Computation of underpayment

1. Enter 1996 net tax liability (from line 12, Form 37-S or line 14, Form 37)	1	
2. Multiply line 1 by 90% (.90)	2	
3. Enter withholding (from line 13, Form 37-S or line 15, Form 37)	3	
4. Subtract line 3 from line 1. If less than \$200, you do not have to complete or file this form	4	
5. Enter 1995 net tax liability (from line 12, Form 37-S or line 14, Form 37). If no return was required for 1995, enter zero. If less than \$200, you do not have to complete or file this form	5	
6. Total required payment. Enter smaller of line 2 or line 5. However, if you moved into North Dakota in 1995, you must enter the amount from Line 2 above	6	

Note: If you checked one of the boxes in SECTION 1 above, see the instructions to line 7 before completing the rest of this form.

7. Enter 25% of amount on line 6 in each column (or, if you checked a box in Section 1, the amount per instructions to line 7)
8. Enter estimated tax paid and tax withheld (See instructions)
- Complete lines 9 through 15 of one column before going to next column.**

9. Enter amount, if any, from line 13 of previous column
10. Total paid. Add lines 8 and 9
11. Add lines 14 and 15 of previous column, and enter result
12. **Overpayment.** If line 10 is greater than line 7, subtract line 7 from line 10 and enter result. Otherwise, enter zero
13. **Overpayment carryover.** If line 12 is greater than line 11, subtract line 11 from line 12 and enter result. Otherwise, enter zero
14. **Underpayment carryover.** If line 11 is greater than line 12, subtract line 12 from line 11 and enter result. Otherwise, enter zero
15. **Underpayment.** If line 7 is greater than line 10, subtract line 10 from line 7 and enter result. Otherwise, enter zero.

Payment Due Date			
1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
April 15, 1996	June 15, 1996	Sept. 15, 1996	Jan. 15, 1997

7				
8				
9				
10				
11				
12				
13				
14				
15				

SECTION 3 - Computation of interest (See instructions)

16. Interest computation:
- (a) Enter date of payment (See instructions)
- (b) Enter number of days from the payment due date to the date on line 16(a)
- (c) Divide line 16(b) by 365 and enter result as a decimal
- (d) Multiply the decimal on line 16(c) by 12% (.12) and enter result as decimal
- (e) Multiply line 15 by decimal on line 16(d) and enter result

16a				
16b				
16c	0 .	0 .	0 .	0 .
16d
16e				

17. **Total interest.** Add the amounts in all four columns on line 16(e). Enter result here and on line 25, Form 37-S or line 27, Form 37. (See instructions)

General Instructions

You may use Form 400-UT to determine if you paid enough estimated North Dakota income tax by the payment due dates and, if you didn't, to calculate the amount of interest you must pay on the underpayment or late payment. Form 400-UT consists of three sections: SECTION 1 lists four exceptions to the regular computation of underpayment; SECTION 2 sets out the regular computation of underpayment; and, SECTION 3 sets out the computation of interest. (Note: The dates used on Form 400-UT and in these instructions are for calendar year filers. Fiscal year filers should substitute corresponding dates.)

Federal estimated income tax requirement. Do not complete Form 400-UT unless you were required to pay estimated federal income tax for the tax year. To determine if you were required to pay estimated federal income tax for 1996, see 1996 Federal Form 2210.

Instructions For Section 1

Following are descriptions of the exceptions to the regular computation of underpayment listed in Section 1. If one of them applies, check the applicable box.

Exception A - Qualified farmer (4th quarter payment required)

This exception applies if you qualified as a farmer for federal estimated tax purposes in 1996 and you were required to pay estimated federal tax for the 4th quarter due on January 15, 1997.

Exception B - Federal annualized income installment method

This exception applies if you used the annualized income installment method to calculate the amount of your underpayment and penalty for 1996 federal estimated tax purposes.

Exception C - Federal 4th quarter exception

This exception applies if you did not have to make the 4th quarter estimated federal income tax payment due on January 15, 1997, because you filed your 1996 federal income tax return and paid the remaining federal tax due by February 1, 1997.

Exception D - Part-year North Dakota requirement

This exception applies if you were a nonresident of North Dakota or you moved into North Dakota during 1996 and you did not receive income subject to North Dakota income tax until after April 15, 1996.

Instructions For Section 2

Line 7. If one of the exceptions in Section 1 applies, enter on this line the following amount(s):

- If **Box A** was checked, enter the amount from line 6 in the 4th quarter column.
- If **Box B** was checked, enter the amount of North Dakota income tax that would have been due by each payment due date had it been based on the amount of federal income tax due by the same date under the federal annualized income installment method. **Attach a copy of the federal annualized income installment method worksheet (from Federal Form 2210).**
- If **Box C** was checked, enter 25% of the amount on line 6 in the 1st, 2nd, and 3rd quarter columns. Enter zero in the 4th quarter column.

- If **Box D** was checked, the amount to enter in each column depends on when you first received income from North Dakota sources in 1996. If you first received North Dakota income after March 31 and before June 1, 1996, divide the amount on line 6 by 3, and enter the result in the 2nd, 3rd, and 4th quarter columns. If you first received North Dakota income after May 31 and before September 1, 1996, divide the amount on line 6 by 2, and enter the result in the 3rd and 4th quarter columns. If you first received North Dakota income after August 31, 1996, and before January 1, 1997, enter the amount from line 6 in the 4th quarter column.

Line 8. Enter the amount of estimated tax paid and income tax withheld for each quarter. Unless you can show otherwise, one-fourth of the total amount withheld is deemed to have been withheld by each payment due date. Also include in the 1st quarter column any overpayment from your 1995 North Dakota return that you elected to apply to your 1996 estimated tax.

Instructions For Section 3

Interest of 12% per year is charged for each quarter in which there is an underpayment or late payment. Interest begins to accrue from the due date of the payment to the earlier of April 15, 1997 or the date the estimated tax due is paid in full. In the case where an overpayment is applied to offset an underpayment, the overpayment is considered to have been applied as of the payment due date for the quarter in which the overpayment occurred.

In some cases, you may find it necessary to compute the interest on a separate worksheet, in which case you should skip lines 16(a) through 16(d) and enter the separately computed interest on line 16(e) in the appropriate column. Attach the separate worksheet to Form 400-UT.

For purposes of computing interest, the amount paid for a particular quarter must be applied first to the amount due for that quarter, and, if the total amount paid exceeds the amount due, the excess must be applied to offset an outstanding underpayment, if any, from a previous quarter, starting with the earliest underpayment. In addition, in the case of a late payment, the interest on line 16(e) must be computed on the amount due on line 7 less any tax withheld included on line 8.

Line 16(a). Except for a late payment or where an underpayment is offset by a subsequent quarter's overpayment, enter April 15, 1997. If there is a late payment and the amount of the payment equals or exceeds the amount of estimated tax due, enter the date of payment. If an underpayment is fully offset by a subsequent quarter's overpayment, enter the payment due date for the quarter in which the overpayment occurred. In other cases, more than one date may apply and it may be necessary to compute the interest on a separate worksheet, in which case you should skip lines 16(a) through 16(d) and enter the separately computed interest on line 16(e) in the appropriate column. Attach the separate worksheet to Form 400-UT.

Line 17. If there is an **overpayment** on line 16, Form 37-S or line 18, Form 37, the amount to be refunded will be reduced by the amount due on Form 400-UT. If there is a **balance due** on line 24, Form 37-S or line 26, Form 37 include the amount due on Form 400-UT in your check or money order. If there is no overpayment or balance due on your individual income tax return and if the amount due on your Form 400-UT is at least \$5.00, enclose a check or money order for the amount due on Form 400-UT with your return.